# CONSOLIDATED INSURANCE TRUST
# PERFORMANCE REPORT FOR JULY 2001

**(Returns Gross of Fees)**

9/10/2001

| | Assets as of July 31, 2001 | | | * RATES OF TOTAL RETURN | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Month Ended (preliminary) | Quarter Ended | | | | | |
| | **EMV $(000)** | **Actual Alloc** | **Policy Alloc (1)** | **Jul-01** | **Jun-01** | **Mar-01** | **Dec-00** | **Sep-00** | **2002 FYTD** | **Year Ended 6/30/2001** |
| LARGE CAP EQUITY | | | | | | | | | | |
| Value | | | | | | | | | | |
| LSV | 20,204 | 2.0% | 1.9% | 1.24% | 8.13% | -0.45% | 7.64% | 11.58% | 1.24% | 29.28% |
| RUSSELL 1000 VALUE | | | | -0.21% | 4.88% | -5.86% | 3.60% | 7.86% | -0.21% | 10.33% |
| Growth | | | | | | | | | | |
| Alliance Capital | 21,308 | 2.1% | 1.9% | -3.23% | 10.24% | -20.09% | -17.19% | -3.96% | -3.23% | -29.94% |
| RUSSELL 1000 GROWTH | | | | -2.50% | 8.42% | -20.90% | -21.35% | -5.38% | -2.50% | -36.18% |
| Core | | | | | | | | | | |
| State Street | 80,695 | 7.9% | 8.6% | -0.98% | 5.86% | -11.87% | -7.77% | -1.00% | -0.98% | -14.82% |
| S&P 500 | | | | -0.98% | 5.85% | -11.86% | -7.82% | -0.97% | -0.98% | -14.83% |
| **TOTAL LARGE CAP DOM. EQUITY** | **122,208** | **11.9%** | **12.3%** | **-1.02%** | **6.99%** | **-11.59%** | **-6.43%** | **2.10%** | **-1.02%** | **-9.63%** |
| S&P 500 | | | | -0.98% | 5.85% | -11.86% | -7.82% | -0.97% | -0.98% | -14.83% |
| SMALL CAP EQUITY | | | | | | | | | | |
| SEI Investments | 56,962 | 5.6% | | -3.30% | N/A | N/A | N/A | N/A | -3.30% | N/A |
| RUSSELL 2000 + 200 bp | | | | -5.24% | N/A | N/A | N/A | N/A | -5.24% | N/A |
| **TOTAL SMALL CAP DOM. EQUITY** | **56,962** | **5.6%** | **5.9%** | **-3.30%** | **14.43%** | **-9.17%** | **-10.26%** | **3.44%** | **-3.30%** | **-3.52%** |
| RUSSELL 2000 | | | | -5.41% | 14.29% | -6.51% | -6.91% | 1.11% | -5.41% | 0.57% |
| CONVERTIBLES | | | | | | | | | | |
| **Trust Company of the West** | **112,813** | **11.0%** | **11.8%** | **-2.92%** | **4.84%** | **-10.01%** | **-12.90%** | **3.19%** | **-2.92%** | **-15.20%** |
| F.B. CONVERTIBLE SECURITIES INDEX | | | | -1.97% | 4.12% | -6.24% | -12.31% | 2.95% | -1.97% | -11.87% |
| INTERNATIONAL EQUITY - Core | | | | | | | | | | |
| **Capital Guardian** | **73,802** | **7.2%** | **8.2%** | **-3.26%** | **1.06%** | **-8.76%** | **-6.97%** | **-11.43%** | **-3.26%** | **-24.02%** |
| MSCI 50% HEDGED EAFE INDEX (2) | | | | -2.74% | 0.15% | -10.44% | -3.47% | -8.07% | -2.74% | -20.41% |
| FIXED INCOME | | | | | | | | | | |
| Core - Index | | | | | | | | | | |
| Bank of North Dakota | 261,700 | 25.6% | | 2.46% | 0.33% | 3.30% | 4.26% | 2.81% | 2.46% | 11.09% |
| BND Match Loan CD's | 15,611 | 1.5% | | 0.47% | 1.35% | 1.44% | 1.47% | 1.49% | 0.47% | 5.88% |
| Total Bank of North Dakota | 277,311 | 27.1% | 26.1% | 2.34% | 0.38% | 3.21% | 4.13% | 2.74% | 2.34% | 10.84% |
| LB GOVT/CORP | | | | 2.49% | 0.30% | 3.20% | 4.37% | 2.87% | 2.49% | 11.13% |
| Core Bond | | | | | | | | | | |
| Western Asset | 345,492 | 33.7% | 31.9% | 2.48% | 1.24% | 3.45% | 4.36% | 3.26% | 2.48% | 12.86% |
| LB AGGREGATE | | | | 2.24% | 0.56% | 3.03% | 4.21% | 3.01% | 2.24% | 11.22% |
| **TOTAL FIXED INCOME** | **622,803** | **60.8%** | **58.0%** | **2.42%** | **0.85%** | **3.34%** | **4.25%** | **3.03%** | **2.42%** | **11.94%** |
| LB GOVT/CORP | | | | 2.49% | 0.30% | 3.20% | 4.37% | 2.87% | 2.49% | 11.13% |
| CASH EQUIVALENTS | | | | | | | | | | |
| **BND - Money Market Account** | **35,510** | **3.5%** | **3.7%** | **0.32%** | **1.00%** | **1.40%** | **1.62%** | **1.71%** | **0.32%** | **5.85%** |
| 90 DAY T-BILLS | | | | 0.33% | 1.12% | 1.51% | 1.63% | 1.51% | 0.33% | 5.90% |
| **TOTAL FUND** | **1,024,098** | **100.0%** | **100.0%** | **0.58%** | **2.72%** | **-1.86%** | **-1.01%** | **1.73%** | **0.58%** | **1.52%** |
| POLICY TARGET BENCHMARK | | | | 0.56% | 2.29% | -1.50% | -0.50% | 1.38% | 0.56% | 1.63% |
| TOTAL VALUE ADDED DUE TO | | | | | | | | | | |
| Asset Mix | | | | 0.09% | -0.15% | 0.00% | -0.08% | 0.36% | 0.09% | 0.13% |
| Active Management | | | | -0.07% | 0.58% | -0.37% | -0.44% | -0.01% | -0.07% | -0.24% |
| **Total Value Added** | | | | **0.02%** | **0.43%** | **-0.37%** | **-0.51%** | **0.35%** | **0.02%** | **-0.11%** |

**(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.**
**(2) Prior to October 1, 2000, the benchmark for this asset class was the MSCI *Unhedged* EAFE Index.**

*** NOTE: Monthly returns and market values are preliminary and subject to change.**
**Quarterly returns are provided by the consultant.**